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INFORMAL COMPLAINTS  
BRANCH  
ENFORCEMENT DIVISION  
COMMON CARRIER BUREAU

July 20, 1992

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AUG 3 - 1992

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

The Honorable Alfred C. Sikes  
Chairman  
Federal Communications Commission  
1919 M. Street, NW  
Washington, DC 20554

SUBJECT: CC Docket 92-77

92-77

Dear Sir:

This letter is to let you know how strongly we oppose the Billed Party Preference (BPP) scheme currently under consideration. We are a private pay telephone operator who is in intense competition with our local telephone company. During the eight (8) years that we have been in business, we have made substantial investments in pay telephones and related equipment based upon the regulations as they have developed. A change requiring BPP would severely impact the amount of commissions that we earn from operator service providers and would most likely result in our being driven out of business. Obviously, our primary competition, the local telephone company, would like nothing better than to see that happen, which is really the driving force behind them instituting such a ridiculous proposal. They have already insured that we are required to buy dial tone from them at high, uncompetitive rates. They know that we must now survive on the operator service commissions which we earn. This proposal is nothing more than their attempt to drive us out of business. They know that without operator service commissions we cannot survive, and they will once again monopolize the pay telephone segment of this business. We know that they have much more money than us, and that they will spare no expense to make BPP a reality.

In reality, however, BPP serves no purpose, much less the public interest. You have already insured that the public has the right to choose the carrier of their choice from public pay phones via alternate access methods (10XXX, G50, 1-800, etc.). Furthermore, you have also insured the public of competitive pricing through call charge caps. All of our equipment allows access to all carriers through one of the required methods. Our operator service provider's rates are tariffed to comply with your call pricing regulations. Consequently, our customers who prefer to use the carrier of their choice already do so. So, what does BPP really accomplish? At best, it saves the public from dialing a few (5) extra digits at the expense of a local telephone company modifying their system,

which will only further increase local telephone company rates to the public. Doesn't one wonder why they are willing to spend all the money required for such a project, yet claim that it is impossible, or that they are unwilling to devise a system to account for 1-800 or alternate operator access calls so that private pay telephone operators may be compensated for all such calls by all carriers on a per call basis rather than the "temporary" flat rate method which you approved as a result of their objections to a per call plan.

We have provided the public with a service and convenience by placing pay telephones in locations the local telephone company never would. No one is forced to use our pay telephone equipment or our operator services. Pay telephones are most often a public convenience and not a necessity. The only way that we can afford to operate such equipment is through the operator service commissions that we derive from it. BPP would virtually eliminate these commissions and require us to allow customers increased utilization of our equipment, space, and personnel for free.

We are a small business and cannot afford to sustain the losses BPP would cause us, nor do we enjoy the idea of losing all of the money that we have invested in pay telephone equipment once the losses resulting from BPP drive us out of business.

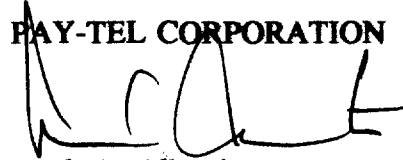
Obviously, all of these local telephone company tactics are directed at driving private pay telephone operators out of business and putting our employees out of work so that they can once again monopolize this segment of the industry.

Before even considering a local telephone company proposal to implement BPP, you should concentrate on forcing all local telephone companies to charge private pay telephone operators at competitive rates for dial-tone and per call charges. In this way, we could then afford to live without some of the operator service commissions and with programs such as BPP. If we must give up something, they should be forced to give up something too.

We desperately need the ability to select the operator service provider to be utilized by our customers from our pay telephone equipment. Please reject any proposal to implement any type of Billed Party Preference. Thank you for any consideration that you may give my thoughts.

Sincerely,

PAY-TEL CORPORATION

A handwritten signature in black ink, appearing to read 'Mark A. Alberti', written over the printed name.

Mark A. Alberti  
President

MAA:jlw